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THOMAS J. WYATT (1942-1996)

June 30, 2006

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Hosston Formation, Reservoir A, and Cotton Valley Formation, Reservoir A, KINGSTON FIELD, DeSoto Parish, Louisiana.

Dear Sir:

EL PASO PRODUCTION COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Hosston Formation, Reservoir A, and to the Cotton Valley Formation, Reservoir A, in the Kingston Field, DeSoto Parish, Louisiana:

- 1. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Hosston Formation, Reservoir A, such unit being shown on an attached plat and being designated HOSS RA SUAA.
- 2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such unit being shown on an attached plat and being designated CV RA SUZ.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- To authorize the unit well for the proposed additional units to be drilled at the location shown on the attached plats, in exception to the spacing provisions of Office of Conservation Order No. 376-B, effective May 2, 1978 (applicable to the Hosston Formation, Reservoir A) and of Office of Conservation Order No. 376-C, effective May 2, 1978 (applicable to the Cotton Valley Formation, Reservoir A).
- 5. To authorize the downhole combination of production from the Hosston Formation, Reservoir A, and the Cotton Valley Formation, Reservoir A, in the wellbore of any well drilled on the units proposed herein in which the interests in such units is identical.

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- 6. To extend to the proposed additional unit for the Hosston Formation, Reservoir A, except to the extent contrary herewith, the provisions of Office of Conservation Order No. 376-B, effective May 2, 1978, as supplemented and amended by the Order No. 376-B series of Orders.
- 7. To extend to the proposed additional unit for the Cotton Valley Formation, Reservoir A, except to the extent contrary herewith, the provisions of Office of Conservation Order No. 376-C, effective May 2, 1978, as supplemented and amended by the Order No. 376-C series of Orders.
  - 8. To discuss such other matters as may be pertinent.

The Hosston Formation, Reservoir A, in the Kingston Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 376-B, effective May 2, 1978.

The Cotton Valley Formation, Reservoir A, in the Kingston Field, DeSoto Parish, Louisiana, was defined in Office of Conservation Order No. 376-C, effective May 2, 1978.

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Boulevard, Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated June 19, 2006, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set July 13, 2006, as the tentative date for the pre-application conference. No conference request was received within ten (10) days after the date of this letter; accordingly, no pre-application conference will be held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of the unit plats (which are identical to the unit plats attached to the pre-application notice) are enclosed herewith, and a copy of this letter and of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Kingston Field, all in accordance with the

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Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

ours very truly,

David D. Silicito

Attorney for El Paso Production Company

DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encls.)

Mr. Mason Lemmond (w/encls.)

Mr. Louis Gilbert (w/encls.)

Interested Owners, Represented Parties and Interested Parties (w/plats only)



